



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 19, 2010

Thomas J. Williamson, Business Administrator – Operations
Southern California Permanente Medical Group (SCPMG)
393 E. Walnut Street, 7th Floor
Pasadena, CA 91188

Dear Mr. Williamson:

RE: FINAL MONITORING VISIT REPORT FOR SCPMG II (SET) – ET08-0249

Date of the Visit:	1/07/10 (on-site) and 1/19/10 (desk review)
Beginning/Ending Time:	9:00 a.m. to 12:00 p.m. (on-site)
Date of Last Visit:	08/13/09
Visit Location:	Pasadena
Persons in attendance:	Michael A. Campbell, Systems Solutions & Deployment, SCPMG Steve Duscha, Consultant Margarita M. Paccereilli, Contract Analyst, ETP
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	11/19/07 – 11/18/09	Agreement Amount:	\$900,900
Training Start Date:	11/19/07	No. to Retain:	910
Date Training must be Completed:	08/18/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	55

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FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

This Agreement was executed on February 1, 2008, but training began on November 19, 2008. Your project staff reported that all training and the 90-day retention period were completed within the term ending date of the Agreement – November 28, 2009.

During the term of this Agreement, your company submitted the following Agreement revision requests:

- Modification No. 1 was approved on February 26, 2009. This Modification added Respiratory Therapist to the occupational title to be trained in this Agreement. According to your staff, adding this occupation will further the purpose of the contract by training hard-to-fill specialty positions at SCPMG. This modification also added Commercial Skills topics to the curriculum.
- Your company's request to reduce the minimum class/lab training hours from 24 to 16 hours per trainee was denied. In February 2003, the Panel approved a revision to the Regulation reducing the minimum from 40 to 24 hours. The Regulation has not been officially changed yet; however, the Panel has implemented the 24 minimum as a policy change, anticipating the Regulation will be revised in the future. Since the Panel has already administratively reduced the minimum number of training hours specified in the Regulations, no further reduction to the minimum to 16 as SCPMG has requested will be allowed. A denial letter was sent to SCPMG on May 18, 2009.

• FINAL PROJECT STATISTICS

Project Statistics Provided By The Contractor

Trainees Started Training:	1,939	Completed Training:	1,175
Trainees Enrolled:	1,939	Completed Retention:	1,175
Dropped Following Enrollment:	764	In Retention Period:	0

This Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 24 and 200 class/lab training hours. There will be no reimbursement for any trainee who does not complete a minimum of 24 hours of training from the required curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 1,175 trainees who met the minimum class/lab training hours with total training hours of 59,447.75. This will result in a completion rate of 100%. Your company only needs to provide 50,050 hours in this Agreement to earn 100% and ETP will not reimburse for any hours in excess of the contract amount. Your staff was well aware of the excess hours and stated that only 1,152 out of the 1,175 who completed retention were billed in this Agreement. A final closeout invoice was submitted to ETP on November 29, 2009.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVE**

On January 19, 2010, ETP received a written statement from Zeth Ajemian, Director of Kaiser Permanente's SCAL Workforce - Labor Management Partnership. He wrote:

"The recently completed ETP contract with the Southern California Permanente Medical Group permitted Kaiser to increase the training it provides to employees. The training helped employees successfully implement and improve their use of Kaiser's pioneering electronic medical records system, HealthConnect, and learn other skills to improve patient care, increase administrative efficiency, and advance in their own careers. The ETP funding was especially helpful to us in a time of tight budgets for all categories of expenditures, including training.

We continued to use our internal learning management system to document training for ETP. That system has been efficient, effective, and accurate. It enables us to manage training records for thousands of employees working in more than 100 locations throughout Southern California.

Finally, ETP staff have been helpful and professional in all their dealings with us. Thank you for all of your assistance."

When queried regarding the ETP Online Systems, your project staff stated that they did not experience have any problem uploading the data in our system and in the enrollment/invoicing processes.

TRAINING RECORDS

The training records were documented via the Learning Management System (LMS). With the assistance of Mr. Campbell, training records were retrieved from your LMS system for 20 trainees randomly selected by the Analyst for review. The LMS report validated the trainees' completion of the training hours as posted on the ETP Online Tracking system. Separate reports were also provided to the Analyst to show that trainer's names for each class and a report of each session which shows compliance to the trainer-to-trainee ratio required in this Agreement.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccereilli at (818) 755-1317 or by email at mpaccereilli@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccereilli, Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Zeth Ajemian, SCPMG (via email)
Steve Duscha (via email)
Master File
Project File

Date report mailed to Contractor 2/2/2010